

## PROCEEDINGS OF THE BOARD OF ESTIMATE & TAXATION

The regular meeting of September 12, 2012 held in room 317 of City Hall.

Meeting called to order by President Fine at 4:00 p.m.

Present were: Fine ( Robert Fine, Representative of the Park and Recreation Board ), Hodges ( Betsy Hodges, Chair of the Ways & Means/Budget Committee of the City Council ). Johnson (Barbara Johnson, President of the City Council; Rybak ( R T Rybak, Mayor of Minneapolis ), Becker ( Carol J. Becker, Elected Member ), Wheeler ( David Wheeler, Elected Member ).

Absent; none.

The secretary reviewed with the Board the following:

Of the 55,203 residential homestead parcels in the data grouping ( which are parcels over the last four years with no change in classification & no permitted improvements that would change the market value ) , for taxes payable in 2012 the January 2, 2011 valuations are used.

4,137 parcels or 3.4% of the parcels will have a CITY tax decrease of at least 15%  
11,986 parcels or 22.8% of the parcels will have a CITY tax decrease of at least 10%  
18,313 parcels or 34.8% of the parcels will have a CITY tax decrease of at least 7.5%  
25,791 parcels or 49.0% of the parcels will have a CITY tax decrease of at least 5%  
32,975 parcels or 62.6% of the parcels will have a CITY tax decrease of at least 2.5%  
**36,794 or 69.8% of the parcels will have a CITY tax decrease**  
47 parcels or 0.09% of the parcels will have a CITY tax increase between 0% to 1.25%  
14,321 parcels or 27.2% of the parcels will have a CITY tax increase between 1.25 % to 1.50%  
**This makes up 51,162 of the data sample or 97.1%**  
1,531 parcels or 2.9% of the parcels will have a CITY tax increase over 1.50%.

Consideration of setting of the maximum tax levies payable in 2013 with regards to the The Charter and Truth in Taxation compliance was before the Board. As to the issue the Mayor Rybak informed the Board that he wished to add a \$ 200,000 levy for The Public Housing Authority to his previously prepared budget for 2013. As explained by staff this certified Levy would have \$ 193,547 of Fiscal Disparities applied against it thereby resulting in a Local Levy of \$ 6,453 or an additional Tax Capacity Rate of 0.002.

After discussion Johnson moved the resolutions consistent with the Mayor's August Budget address with an additional \$ 200,000 levy for The Public Housing Authority ( see resolutions ). Motion seconded by Wheeler. The motion was adopted. Yeas – 6, Nays – none, as follows; Yeas – Hodges, Johnson, Rybak, Wheeler, Becker, Fine – 6; Nays – none.

**TRUTH IN TAXATION RESOLUTION:**

By Johnson seconded by Wheeler for a 1.771 % Total Levy Change

**ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:**

That, pursuant to truth in taxation legislation of the State of Minnesota, the Board of Estimate & Taxation does hereby fix and determine the maximum certified tax levies for property taxes payable in 2013 for various funds, from general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 323,247,856 plus a fiscal disparities distribution dollar estimated at \$ 37,034,966 such maximum amounts and maximum net tax capacity rates being as follows:

<b><u>Truth in Taxation pay 2013 Levy Item</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>*Net Tax Rate in %</u></b>
Minneapolis City* (excluding the Park & Recreation Board )	\$ 223,023,000	59.592
Minneapolis Park & Recreation Board	\$ 48,616,000	12.990

**SPECIAL LEVY SECTION:**

Minneapolis Public Housing Authority	\$ 200,000	0.002
Chapter 595 ( HRA ) Levy	\$ 1,021,000	0.316
Teachers' Retirement Association	\$ 2,400,000	0.637

**& a Market Value levy for the Library Referendum debt service of \$ 9,300,000.**

\*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That pursuant to the truth in taxation legislation, the following is filed as the maximum certified property tax levies for property taxes payable in 2013:

<b><u>Truth in Taxation pay 2013 Levy Items</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>Fiscal Disparities</u></b>	<b><u>Local Levy</u></b>	<b><u>*Net Tax Rate in %</u></b>
General Fund	\$ 168,928,000	\$23,031,452.80	\$145,896,547.20	45.135
Permanent Improvement Fund	1,000,000	136,325.71	863,674.29	0.268
Bond Redemption Fund	21,200,000	2,890,393.92	18,309,606.08	5.665
Estimate & Taxation Fund	175,000	23,850.52	151,149.48	0.047
Municipal Building Commission**	4,410,000	601,262.67	3,808,733.33	1.179
Fire Relief Association**	2,745,000	374,238.33	2,370,761.67	0.734
Police Relief Association**	6,415,000	874,617.76	5,540,382.24	1.714
Minneapolis Employee Retirement Fund**	18,150,000	2,474,565.32	15,675,434.68	4.850
TOTAL CITY & OTHER	\$223,023,000	30,406,707.03	192,616,292.97	59.592
 PARK & RECREATION BOARD	 \$ 48,616,000	 6,628,258.97	 41,987,741.03	 12.990
	<b>\$ 271,639,000</b>	<b>\$37,034,966.00</b>	<b>\$234,604,034.00</b>	<b>72.582</b>

**AND a market value levy for the Library Referendum debt service of \$ 9,300,000.**

<b><u>Truth in Taxation pay 2013 Special Levy Items</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>Fiscal Disparities</u></b>	<b><u>Local Levy</u></b>	<b><u>*Net Tax Rate in %</u></b>
Minneapolis Public Housing Authority	\$ 200,000	\$ 193,547	\$ 6,453	0.002
Chapter 595 ( HRA ) Levy	\$ 1,021,000	\$ 0	\$ 1,021,000	0.316
Teachers' Retirement Association	\$ 2,400,000	\$ 343,739	\$ 2,056,261	0.637

\*\* These funds are not subject under the City Charter to the Board of Estimate & Taxation's jurisdiction with regards to Charter regulated maximum tax levies.

**CHARTER COMPLIANCE RESOLUTION:**

**ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:**

That, pursuant to Section 2, Chapter XV of the Charter of the City of Minneapolis, the Board of Estimate & Taxation does hereby fix and determine the maximum rates and maximum amounts of money which may be raised by general taxation and may be levied by the City Council, the Public Housing Authority, and the Board of Estimate & Taxation of the City of Minneapolis for the fiscal year 2013 for various funds, the net tax capacity of the property subject to general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 323,247,856 plus a fiscal disparities distribution dollar estimated at \$ 37,034,966 such maximum amounts and maximum net tax capacity rates being as follows:

**TO BE LEVIED BY:**

	<b><u>Total Tax Levy or Levy Amount</u></b>	<b><u>*Net Tax Capacity Rate in %</u></b>
<b><u>BY THE CITY COUNCIL:</u></b>		
General Fund	\$ 168,928,000	45.135
Chapter 595 (HRA ) Levy	\$ 1,021,000	0.316
Permanent Improvement Fund	\$ 1,000,000	0.268
<b><u>BY THE PUBLIC HOUSING AUTHORITY:</u></b>		
Public Housing	\$ 200,000	0.002
<b><u>BY THE BOARD OF ESTIMATE &amp; TAXATION</u></b>		
Estimate & Taxation Fund	\$ 175,000	0.047

\*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That the aggregate of levies certified to the Hennepin County Director of Property Taxation for 2013 for bond redemption and interest is reduced by the application of cash on hand and appropriated by the City Council and the Park and Recreation Board to the following total amount and rate:

<b>Bond Redemption Fund</b>	<b>\$ 21,200,000</b>	<b>5.665</b>
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**& a market value levy for the Library Referendum debt service of \$ 9,300,000.**

That the maximum net tax capacity rates listed above have been calculated on the basis of an assumed net tax capacity of \$ 374,323,523 ( \$397,535,784 less increment financing of \$ 27,186,847, fiscal disparities contribution of \$ 47,101,081, plus a fiscal disparities distribution of \$ 51,075,667 ) and shall be adjusted as necessary to reflect the net tax capacity of taxable property for the City for 2013 as finally certified by the legally designated Hennepin County Director of Property Taxation;

That in the event the maximum tax levy or tax capacity rate stipulated above for any fund is determined to be in excess of the maximum legal tax levy or tax capacity rate for such fund, the maximum legal tax levy or tax capacity rate shall be construed to be the maximum tax levy or tax capacity rate for such fund for the purpose of this resolution;

That in consequence of the passage of various laws, the Board assumes no jurisdiction as to the amounts or rates to be levied for the following funds: Fire Relief Association, Police Relief Association, Municipal Building Commission, and Minneapolis Employees Retirement Association.

**That a copy of this action be certified to the County Director of Property Taxation and The City Council of the City of Minneapolis.**

No additional direction to staff was given at this time.

Johnson moved to adjourn; seconded by Becker.  
The meeting was adjourned at 4:25 p.m.

